

exactly how the courts will rule on this issue, but we feel that it could cost local government and the State of Nebraska approximately...or up to \$12 million. This money has to be replaced by money from some other sources, so I think it is very important. Congress, through the 4-R Act, tells us how we can tax railroad property. But I feel that we need to change this. This has come about because, as I understand it, that Nebraska exempted from personal property taxation business inventory, farm livestock, grains and fertilizer, and also farm machinery. This was done, I believe, the first year or second year that I was in the Legislature, in the late seventies. So this is a very important resolution, I feel. What we are doing in this resolution is asking them to amend the definition of commercial and industrial property that the railroads used. So I would urge adoption of this resolution so that it can be sent to our Congressional delegation.

PRESIDENT: Senator Scofield, please, then Senator Bernard-Stevens.

SENATOR SCOFIELD: Mr. President and members, I rise to urge you to support this resolution. You are aware of the kinds of legislative proposals before us to deal with the current impact of railroad personal property suits in Nebraska. My priority bill, 1091, proposes that we take out of the Cash Fund \$11.2 million for this year alone to make up the losses that local subdivisions will experience as a result of what we anticipate to be a likelihood that we will lose cases, already have lost the Carline case and will likely lose the railroad case. It's clearly a very serious impact on a state, any state that is as reliant on railroad property as Nebraska is for its tax base, although this has affected other states as well. I believe the Tax Commissioner suggested the other day there might be as many as 17 states interested in this. I wish I could tell you that this will have a lot more impact on Congress probably than a basketball resolution has in Nebraska, but I don't know that that is the case. Given the conversations that I have heard, I think, at best, we probably have a chance of getting a very narrow amendment, if any at all. But I do think this is worth taking this action to send a message to Congress expressing our concern and pointing out how very serious an impact the 4-R Act has had in the State of Nebraska alone. So, with that, I would urge you to listen further as Senator Johnson, I'm sure he'll address this later. If he'd like my time now, he can have it. But it is an important and serious